



### Coyote Hills HOA Board of Directors Meeting

The meeting of the Coyote Hills Board of Directors was held on Thursday, October 12, 2023 at 7 pm at the Kendall Witt's Residence.

#### Board Members Attending:

Kendall Witt – President  
Linda Birchem -- Vice President  
Casey McCutcheon – Secretary  
Jackie Tugwell –Treasurer  
Gary Coyle – Director

#### Residents Attending:

Joel Birchem  
Sarah Kolz

1. The meeting was called to order at 7:00 PM.

#### 2. Old Business:

a. The minutes of July 20, 2023 were approved.

b. 601 Coyote Trail vehicle violation status. The homeowner has moved the trailer and paid the first lien costs but still owes the remainder of the second lien costs.

c. Status/update on the community well/infrastructure purchase.

(1) The HOA Board has reached out to the community homeowners to determine ability/willingness to fund the well purchase. Approximately 15 were willing to prepay, 6 considering payments and 10 were no response or unable to contact. Kendall will continue to reach out.

(2) The ability to prepay will affect the bank's willingness to look at the loan. The loan interest would be at 8 ½ percent, however, the maximum interest that can be charged to the HOA is 8 percent according to state statutes. Some other options concerning loans were discussed and to be explored.

(3) The Board also discussed and will explore other questions relating to the well acquisition such as utility easements, system catastrophe and liability insurance. Brief discussion of the current aquifer used now and ability to access the other aquifers.

(4) Other questions were asked that will be looked into;

(a) Which Aquifer are we using? Currently on the Upper Dawson.

(b) Do we have access to other aquifers? We do have Rights to all the other aquifers.

(c) What is our allowable limit? 24 Acre Feet per year (7,820,434.29 gallons)

(d) What is our current use? 600,000 gallons High, 200,000 gallons Low annually.

d. HOA community road conditions. All roads are open.

e. Summer community get together. Cancelled due to insufficient homeowner's response.

f. Coyote Hills HOA website. The Coyote Hills HOA website has been changed to <https://coyotehillshoa.net/>. The previous website was not owned or maintained by the community and unable to be updated. You will find information about Coyote Hills community here.

**New Business:**

1. Budget.

a. Financial status, 3<sup>rd</sup> quarter, 2023 budget is good but anticipating 2024 future costs. Our current dues may not be sufficient.

(1) This year there have been higher expenditures due to additional legal costs and increases in Waste Management costs. We haven't raised homeowner dues for approximately 9 years. Subsequent discussion concerned Waste Management trash and recycling homeowner options regarding recycling. Not all Coyote Hills homeowners participate in the recycling program. The HOA Board discussed continuing to cover the trash pickup as part of the dues but either keep the recycling or shift the recycling costs to those homeowners that wish to continue. However, the HOA is not charged for recycling. The largest cost increase has been the fuel costs. Waste Management does charge a separate fuel/environmental cost for both the trash and recycling pickup. Waste Management's flyer, obtained after the meeting, addresses the recycle material offset (RMO) costs is attached to the minutes.

(2) Homeowner dues increase. The HOA Board considered several dues increase options for 2024. Rate increases of \$50.00, \$100.00 and \$200.00 were considered to avoid an annual dues increase. Presently the HOA Board is considering a \$50.00 increase to the 2024 dues raising the annual dues to \$350.00. However, according to our covenant bylaws, the rate can only be increased by 110% or \$30.00. Any larger dues increase would need to be voted upon by the HOA community. This was the case in late 2013 when the HOA Community voted to increase our annual dues from \$60.00 to \$300.00.

b. Update on home sales. No update.

2. Other business.

a. HOA Board 2024 meeting calendar to be developed.

b. The HOA Board was again reminded to use our coyotehillshoa email account for official business.

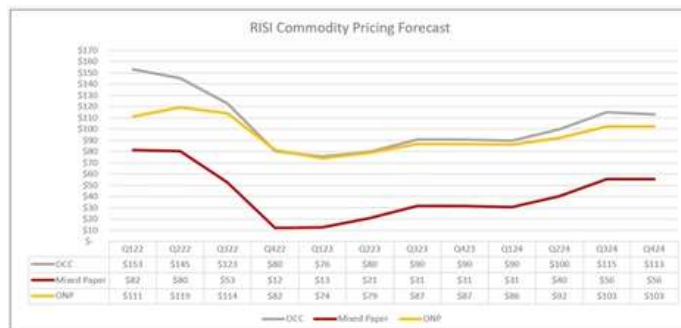
Coyote Hills HOA Board Meeting adjourned at 8:18 PM.  
\*\*Meetings are open to all residents who wish to attend\*\*

## Addressing RMO Charge Fluctuations with your Customers

### Fluctuation in recyclable material values varies month over month.

Recycled material is traded and sold on a global market as a commodity — similar to crude oil — and has natural ups and downs depending on demand.

The **Recyclable Materials Offset (RMO)** is a bill adjustment that allows our company to adjust for the fluctuations in recyclable commodities prices so we can cover our costs to process recyclable materials in a safe and environmentally responsible manner and achieve an acceptable operating margin.



*For illustrative purposes only*

- The RMO can result in a monthly charge for commercial and residential recycling customers, but it can also result in a credit when the value of recyclable commodities exceeds our cost to process, plus profit margin.
- As changes in the recycling commodities market occur the charge may fluctuate, up or down, in response to the market.
- The Recyclable Materials Offset is our charge. It is not a tax or surcharge imposed by or remitted to any governmental agency.
- The RMO charge helps our company to continue to provide customers with the excellent recycling services they expect and demand.

### How is our RMO charge calculated?

WM offers recycling service, typically at a lower cost than trash services, knowing we will recoup some costs by selling the recyclable material after collection and processing. Recycle material is traded and sold on a global market as a commodity — similar to crude oil — so it has ups and downs depending on demand.

WM uses a formula that takes into consideration recyclable material processing costs, an assumption to account for some customer contamination, and the current value of recyclable materials to determine a charge, or credit, for RMO.

In the RMO calculation, WM historically used a rolling three-month average of the blended value of processed recyclables, but in November 2022 started using the most recent monthly values which more closely represent current conditions in the recyclable commodity markets at the time our customer invoices are being generated.

To make this charge more reflective of current market conditions and fair for our customers and our company, WM adjusts the RMO calculation monthly to tie more closely with up-to-date commodities values in that period.

### Why does the RMO fluctuate?

Since the recyclables commodities market is based on supply and demand, when manufacturing demand is high, processors pay more for paper, cardboard, plastics and other commodities. When manufacturing demand is low, processors pay less for recyclables, or they may even charge WM to take the materials into their facilities.

When demand is high and processors are paying more for materials, the RMO will decrease, become \$0 or customers may see a credit. If demand is low and processors are not paying as much for materials, customers will see RMO increase.

Therefore, by tying the RMO charge to current market prices, RMO increases or decreases based on the recyclable commodities market in the given month.

★ **Additional information about the RMO can be found on [wm.com](https://wm.com) [here](#).**

[Click here](#) to access the Ancillary Service and Invoice Charge Guide (must be on VPN.)

Additional coaching can be found on the Sales Enablement SharePoint [here](#).